IN THE UNITED STATES DISTRICT COURT

FOR THE NORTHERN DISTRICT OF CALIFORNIA

SAN JOSE DIVISION

Acacia Media Technologies Corp.,

Plaintiff,

vs.

New Destiny Internet Group, et al.,

Defendants.

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And All Related and/or Consolidated Actions.

____________________________________/

NO. C 05-01114 JW

ORDER TO SHOW CAUSE REGARDING SUMMARY JUDGMENT

I. INTRODUCTION

This is a patent infringement case filed by Acacia Medial Technologies Corporation against a number of entities for infringement of the Yurt family of patents. While multiple claims were pending in the Central District of California, Plaintiff filed infringement claims against additional entities in the Northern District of California and in other Districts elsewhere in the United States. The case was accepted for administration as a Multi-District Litigation. During the claim construction process, Plaintiff withdrew some of its patents from contention, dismissed some of the Defendants and stipulated to not sue others. Based on the construction which the Court has given to the claims of the patents-in-suit, Plaintiff now moves for summary judgment on all claims and

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counterclaims.[1] Although the motion is unusual in that Plaintiff moves for summary judgment against itself and in favor of Defendants, the Court finds that the motion is meritorious. For the reasons stated below, the Court orders all remaining parties to appear and show cause why summary judgment should not be entered in favor of Defendants on the ground that as construed by the Court, none of the patent claims-in-suit are infringed; each of the patent claims-in suit are invalid; and the patent claims-in-suit are unenforceable.

II. DISCUSSION

This case has a long procedural history, which can be readily discerned from the multiple Orders made by the Court. To place the present motion in context, the Court reviews the most recent events.

The Court divided its construction of the various disputed words and phrases into various groups, followed by Orders pertaining to those groups.[2] On February 13, 2008, the Court issued its Order construing the last group of disputed terms. In various claim construction Orders, there were instances when the Court stated its conclusion that a word or phrase made an asserted patent claim arguably indefinite. The Court invited the parties to submit any proposal for adjudicating the indefiniteness issue. Plaintiff took the position that the Court's claim construction rendered all of the remaining patents-in-suit indefinite. Plaintiff proposed that rather than reach the issue of infringement, it urged the Court to bifurcate the indefiniteness issue from the remaining issues in the case, enter a judgment on that issue and certify the bifurcated judgment for immediate appeal. The Court expressed reluctance to bifurcate the case, preferring rather to consider all legal motions which any party might raise based on the claim construction Orders before making a determination with respect to a dispositive ruling in the case. Consequently, on May 27, 2008, the Court adopted a schedule for adjudication of the indefiniteness issues and any other legal issues which arise from the claim construction Orders. (See Docket Item No. 282.)

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[1] (Motion for Summary Judgment Pursuant to FRCP 56 on Acacia's Patent Infringement Claims and on Defendants' Counterclaims for Patent Invalidity, hereafter, "Motion," Docket Item No. 287.)

[2] (See Order Re: Motions for Reconsideration of Claim Construction; Fifth Claim Construction Order, Docket Item No. 259.)

In the midst of the scheduled briefing period and with an express intent to avoid having to brief and argue multiple motions being made by Defendants, Plaintiff has filed the present motion for summary judgment. In the motion, Plaintiff contends that based on the claim construction Orders, there is no genuine issue of material fact remaining in the case:

> Plaintiff Acacia Medial Technologies Corporation ("Acacia") will move, and hereby does move, for summary judgment pursuant to Fed. R. Civ. P. 56 in favor of defendants on Acacia's patent infringement claims and on defendants' counterclaims for patent invalidity.[3]

(Motion at 2.) Plaintiff's motion is presently set for hearing on October 20, 2008.

Although it is highly unorthodox for a party to move for summary judgment against itself, there is nothing in Fed. R. Civ. P. Rule 56 which prohibits such a motion.[4] The express language of Rule 56(a) allows a party "claiming relief" and Rule 56(b) allows a party "against whom relief is sought" to "move for summary judgment." See Fed. R. Civ. P. 56(a), (b). Neither subsection restricts the motion to being in favor of the moving party. Rule 56(c), which sets out the conditions under which a moving party is entitled to "judgment as a matter of law," contains no requirement as to in whose favor the judgment must be rendered. See Fed. R. Civ. P. 56(c).

The Court is mindful that it should not allow a motion for summary judgment to operate as a disguised interlocutory appeal pursuant to 28 U.S.C. § 1292(b). Here, because Acacia's motion seeks adjudication on all liability issues in the case, which if granted would result in a final adjudication, the Court does not regard its motion as a motion to permit an interlocutory appeal.

The Court is also mindful that, like any other pre-trial order, until the commencement of jury deliberations, the Court has the right to reconsider its claim construction Orders and to modify them.

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[3] In its motion, Plaintiff uses the word "counterclaim" to refer the claims of Defendants. Since Plaintiff seeks to bring the lawsuit to a full and final end in this Court, the Court regards the motion as directed to all of the affirmative defenses of Defendants—invalidity and unenforcecibility are affirmative defenses and not counterclaims.

[4] The Court is not aware of any other case in which a Plaintiff has moved for summary judgment against itself.

See Smith v. Pac. Props. & Dev. Corp., 358 F.3d 1097, 1100 (9th Cir. 2004). Indeed, Plaintiff has sought reconsideration by the Court of the Orders at issue in this case. However, there is no basis for finding, and none of the parties contend that there are any circumstances which would lead the Court to modify its construction of the words and phrases of the subject patents.

Apparently, Plaintiff takes the position that even though it is moving for summary judgment against itself, this does not waive its right to appeal.[5] The Court considers that in ruling on Acacia's motion for summary judgment against itself, the Court will not be called upon to express a view on the effect of Acacia's right to appeal.

III. CONCLUSION

The Court considers that Acacia's motion empowers the Court to immediately grant summary judgment in favor of all remaining Defendants on the issues of infringement, validity and unenforceability. The Court orders all remaining parties to appear on **October 29, 2008 at 10 a.m.** and show cause, if any, why summary judgment should not be entered in favor of Defendants on the grounds that none of the patent claims-in-suit are infringed; each of the patent claims-in suit are invalid; and the patent claims-in-suit are unenforceable.

In light of this Order, the hearing on October 20, 2008 is VACATED. Defendants' Motions to continue the hearing on Plaintiff's motion for summary judgment and for leave to file a reply in support of their motion to continue is DENIED as moot.

Dated: October 9, 2008

JAMES WARE
United States District Judge

[5] In its motion, Plaintiff cites two cases as authority that it retains its right to appeal. See York Products, Inc. v. Central Tractor Farm & Family Center, 99 F.3d 1568, 1571 (Fed. Cir. 1996) and Cardiac Pacemakers, Inc. v. St. Jude Medial, Inc., 296 F.3d 1106 (Fed Cir. 2002).

United States District Court
For the Northern District of California

THIS IS TO CERTIFY THAT COPIES OF THIS ORDER HAVE BEEN DELIVERED TO:

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Dated: October 9, 2008

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